



**National Broadband Plan  
Notice of Inquiry, GN Docket No. 09-51**

**Comments of  
Karen Kerrigan  
President & CEO  
Small Business & Entrepreneurship Council**

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

**June 8, 2009**

*Filed electronically*

SBE Council • 2944 Hunter Mill Road • Suite 204 • Oakton, VA 22124 • 703-242-5840

[www.sbecouncil.org](http://www.sbecouncil.org)

***Protecting Small Business, Promoting Entrepreneurship***

## ***National Broadband Plan***

The Small Business & Entrepreneurship Council (SBE Council) is pleased to file comments regarding the Federal Communications Commission's notice of inquiry on a National Broadband Plan. America's small business and entrepreneurial sector remains a chief beneficiary of advanced telecommunications technologies and services. We have a vested interest in an innovative, competitive and healthy broadband marketplace.

SBE Council is a 70,000-member national, nonprofit advocacy, research and training organization dedicated to protecting small business and promoting entrepreneurship. Access to broadband has been a critical development for our members, as well as all U.S. entrepreneurs. The array of tools made possible through broadband has helped countless firms grow, innovate and become more competitive in today's challenging economic climate. Still, many small firms and self-employed individuals do not have access to broadband, or have not yet adopted high-speed services. Accelerating the reach and benefits of broadband are critical to expanding and sustaining U.S. entrepreneurship, and SBE Council remains supportive of government efforts to help identify opportunities for development, outreach and adoption.

In this regard, SBE Council believes the most effective and efficient way to ensure broadband access for small business owners is for the U.S. to remain investment friendly. A positive investment environment has led to steady broadband deployment, and extraordinary innovations and offerings for small business consumers. Supporting long-term, private sector investment will lead to (if not accelerate) broadband access for everyone.

## ***National Broadband Plan Needs to Enable Private Sector Investment***

SBE Council believes that maintaining a pro-investment model needs to be an overriding goal of the National Broadband Plan. Billions of private sector investment in broadband has made powerful services and tools available to small businesses. The continued investment in this sector remains an isolated bright spot in our stressed economy. During this challenging economic period, it is essential that our policies -- and the National Broadband Plan itself -- help accelerate the positive momentum within the U.S. broadband market. If the strategy of the plan is to ensure that "all people of the United States have access to broadband capability" (as directed by "The "American Recovery and Reinvestment Act of 2009"), then acknowledging the continued need for robust private sector involvement through an inclusive, investment-friendly plan of action is crucial.

While government can help in various areas relating to "access," it cannot replace the power of private sector capital that is needed to build out, maintain and improve our nation's broadband infrastructure. The policy environment must continue to encourage private sector investment. We urge the FCC to take note of this point, as the notice of inquiry includes hundreds of questions that present opportunities for regulatory initiatives that could lead to uncertainty and dampen investment.

In the face of ongoing economic turmoil in the U.S., the ongoing investment in deploying broadband and within the broadband market is important for small business owners and

entrepreneurs. Not only does this investment save and create jobs, it directly sustains entrepreneurs who conduct business in this sector. Of equal importance, the impact of new innovations and services produced by these investments will yield new tools and cost savings for millions of U.S. small business owners. In good economic times and bad, such tools are important for small business competitiveness, if not survival.

### ***Broadband a Vital Tool for Entrepreneurs, Small Business Start-Up and Growth***

Expanded access to broadband has become increasingly vital for small business owners and entrepreneurs. Access to broadband not only provides business owners access to new markets and consumers, it offers the opportunity to utilize innovative and essential tools that help lower costs, and increase efficiencies. Such productivity and money-saving tools help lower the barriers to entrepreneurship, which means more individuals can pursue the path of business ownership. Indeed, broadband has enabled individuals to run businesses regardless of location.

The benefits of access to advanced telecommunications technologies and services for small business owners are clear. Broadband has delivered a vast array of products and services that help small businesses more efficiently deliver and receive information; communicate with employees, customers, partners and suppliers; utilize products such as e-commerce; and market their product and services. Entrepreneurs are adopting (or were the first to adopt) solutions such as communications applications (for example, VOIP and virtual meeting tools), as well as other products that allow them to conduct business more strategically and efficiently.

Extending broadband to unserved communities will create a level playing field, and give many more individuals greater hope and opportunity for pursuing the American dream. Removing, or greatly reducing, geographic limitations to where individuals can start and grow businesses will help spur economic growth and job creation in areas of the country where it is most desperately needed. Uncovering the reasons why broadband is not being adopted where available, and identifying educational and training resources inside and outside of government as part of a major outreach initiative, will help many more small business owners and individuals become financially enriched and personally empowered.

### ***What the Plan Can Focus on To Be Helpful to the Small Business Community***

SBE Council believes that the National Broadband Plan should be “focused, practical and achievable” as declared by FCC Chairman Copps in his announcement. It must focus on outcomes from the user’s perspective. This means the plan should set a general direction and identify opportunities in the broadband market. The plan will be useful if it focuses on adoption issues and demand, rather than becoming a series of regulatory mandates on players in the market. There are absolutely no indicators of market failure to warrant such intervention in the broadband market, and the plan is not the place for such initiatives.

What are some key ideas to help make the plan a meaningful framework for entrepreneurs? The National Broadband Plan:

- *Must view broadband as an ecosystem where many, many businesses and sectors play a positive and useful role.* The FCC should avoid two-tiered regulatory thinking in developing

what needs to be a flexible (not regulatory) framework for positive action by the many players and sectors that will carry out the plan.

- *Set a general direction and identify opportunities for private and public sector collaboration.* In keeping with the “focused, practical and achievable” theme, the plan must focus on user-centric outcomes – most centrally, delivering broadband access to unmet areas. How are we to measure the broadband-for-all goal? All consumers will have access to broadband by at least one provider in areas that are not currently served.
- *Focus on adoption, and why broadband is not being taken up in areas where available.* Fully understanding the market is key to achieving national broadband goals. Such information would be useful to both the private and public sector. Key agencies – like the U.S. Small Business Administration, for example – can be helpful in data gathering and research, and can be effectively mobilized for outreach initiatives by using its network of training centers, programs and association partners.
- *Consumers have different needs.* The plan should not define what broadband speed is appropriate as consumers have different needs. This cannot be reduced to one metric. Similarly, attempting to define (or regulate) a one-size-fits-all broadband standard is not in the best interest of consumers, particularly small business owners who have diverse needs.
- *Government funds should go where needed most.* Where grants or government funds are used for broadband projects, they need to be focused in unserved areas. In dispersing funds when executing projects, transparency and accountability are necessary to ensure that taxpayers receive the best “return-on-investment” for these precious resources.
- *Leverage stimulus program funds and consider other elements of this program.* The 2009 American Recovery and Reinvestment Act will provide \$7 billion for broadband deployment. The plan needs to be flexible enough to leverage how and where these funds will be positioned to establish collaborative and constructive engagement. In addition, a broadband mapping initiative will be undertaken as part of the Act. How does the timing and direction of this important program align with the plan’s goals?

### ***Avoiding the Regulatory Path – Focusing on Broadband Users***

Broadband deployment is advanced in the U.S., and the FCC must be careful not to harm what has already been achieved as it develops its plan. The light regulatory approach is working, and very few disagree that private sector capital is necessary for building out our nation’s broadband infrastructure and fully realizing it’s potential. Policy and government actions need to encourage private sector investment and innovation. They also need to encourage competition, which spurs innovation and openness.

The National Broadband Plan is not an appropriate vehicle for regulation or actions that favor one business model or group of players over another. The plan needs to focus on consumers, and the most effective ways to ensure broadband access for all Americans.

For example, we urge the FCC to stay the course with current policy that has rejected proposals to regulate and set prices for dedicated broadband transmission circuits (“special access” services). The near decade-long policy of allowing pricing flexibility has encouraged and enabled investment by providers, which means our nation’s small business owners and entrepreneurs have greater access to broadband services and more robust networks. In addition, the FCC should continue to work to remove government-imposed barriers that prevent broadband deployment, and address unfinished business like reforming universal access.

Our members, and small business owners throughout the country, have a vested interest in stable telecommunications policy as entrepreneurs stand to gain the most from technological advancements and tools that come with robust investment in this sector. Thousands of small to mid-size businesses and their employees are helping to deploy and service our nation’s broadband infrastructure, and they too will continue to benefit from the certainty that comes with a steady policy environment. The economy desperately needs the activity of these growth-oriented firms, and an uncertain and damaging investment climate will no doubt affect the innovation and job creation that is generated by them.

A National Broadband Plan that centers on collaborative strategies to bring these much needed services and tools to our nation’s small business owners is an effort that our economy needs during this critical period. A plan that harnesses government resources and the private sector for helping small firms embrace and adopt these technologies will yield both short and long-term benefits for U.S. competitiveness. An inclusive initiative that encourages investment and involvement will harness U.S. ingenuity and know-how, which will ultimately lead to full-scale “broadband capability” for all Americans.

Karen Kerrigan  
SBE Council  
2994 Hunter Mill Road  
Suite 204  
Oakton, VA 22124  
[www.sbecouncil.org](http://www.sbecouncil.org)